



# Half year results

For the six months ended  
31 August 2021

# Disclaimer

This presentation (the “Presentation”) has been prepared by Trainline plc (the “Company” and, together with its subsidiaries, the “Group”). For the purposes of this notice, “Presentation” means this document, its contents or any part of it, any oral presentation, any question or answer session and any written or oral material discussed or distributed before, during or after the Presentation meeting. This information, which does not purport to be comprehensive, has not been verified by or on behalf of the Group. This Presentation is for informational purposes only and does not constitute an offer or invitation for the sale or purchase of securities or any businesses or assets described in it, nor should any recipients construe the Presentation as legal, tax, regulatory, or financial or accounting advice and are urged to consult with their own advisers in relation to such matters. Nothing herein shall be taken as constituting investment advice and it is not intended to provide, and must not be taken as, the basis of any decision and should not be considered as a recommendation to acquire any securities of the Group.

No representations or warranties, express or implied, are made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in this Presentation. This Presentation includes statements that are, or may be deemed to be, “forward looking statements”. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Group’s control. “Forward-looking statements” are sometimes identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “aims” “anticipates”, “expects”, “intends”, “plans”, “predicts”, “may”, “will”, “could”, “shall”, “risk”, “targets”, forecasts”, “should”, “guidance”, “continues”, “assumes” or “positioned” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places and include, but are not limited to, statements regarding the Group’s intentions, beliefs or current expectations concerning, amongst other things, results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of the Group and the industry in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. As such, no assurance can be given that such future results, including guidance provided by the Group, will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Forward-looking statements are not guarantees of future performance and the actual results of operations, financial condition and liquidity, and the development of the industry in which the Group operates, may differ materially from those made in or suggested by the forward-looking statements set out in this Presentation. Past performance of the Group cannot be relied on as a guide to future performance. Forward-looking statements speak only as at the date of this Presentation and the Company and its directors, officers, employees, agents, affiliates and advisers expressly disclaim any obligations or undertaking to release any update of, or revisions to, any forward-looking statements in this Presentation. To the extent available, the industry and market data contained in this Presentation has come from third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. In addition, certain of the industry and market data contained in this Presentation come from the Company’s own internal research and estimates based on the knowledge and experience of the Company’s management in the market in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this Presentation.

# Agenda

- 1. A leading role in industry recovery**  
Jody Ford, CEO
- 2. Financial performance**  
Shaun McCabe, CFO
- 3. Progress against strategic priorities**  
Jody Ford, CEO
- 4. Accelerating growth in International**  
Jody Ford, CEO

## Strong recovery in H1

- Trainline taking a leading role in industry recovery
- Accelerated market shift to online and digital
- Driving significant increase in new customer acquisition and engagement
- Growing frequency that customers transact with us
- Strong recovery in net ticket sales and a return to profitability

# Best in class B2C rail travel companion



## Friction-free

- 4.9 star rated mobile app
- etickets
- Real time delay notifications
- Automated refunds / changes



## Unrivalled value

- SplitSave
- Récup' Retard (delay repay)
- Digital railcards
- Ticket alerts



## Widest choice

- All the carriers
- All the fares
- All the real time information
- Train and coach

Empowering customers to switch to a far greener mode of travel

# All underpinned by our single global tech platform

## Deep inventory connections



>270 carriers

Real-time data

Pre and post-sales

## Customer-centric ecommerce



Simple “1 click” UX

Multi carrier / modal journey planner

Multi-product basket

## Personalised, data-driven products



~3TB data processed daily

135 bn search results

Personalised UX & CRM

## Reliable, scalable, secure



400+ tech/product engineers

300+ releases / week

Security, payments, fraud safeguards

One-stop shop tech solution for our customers and carrier partners

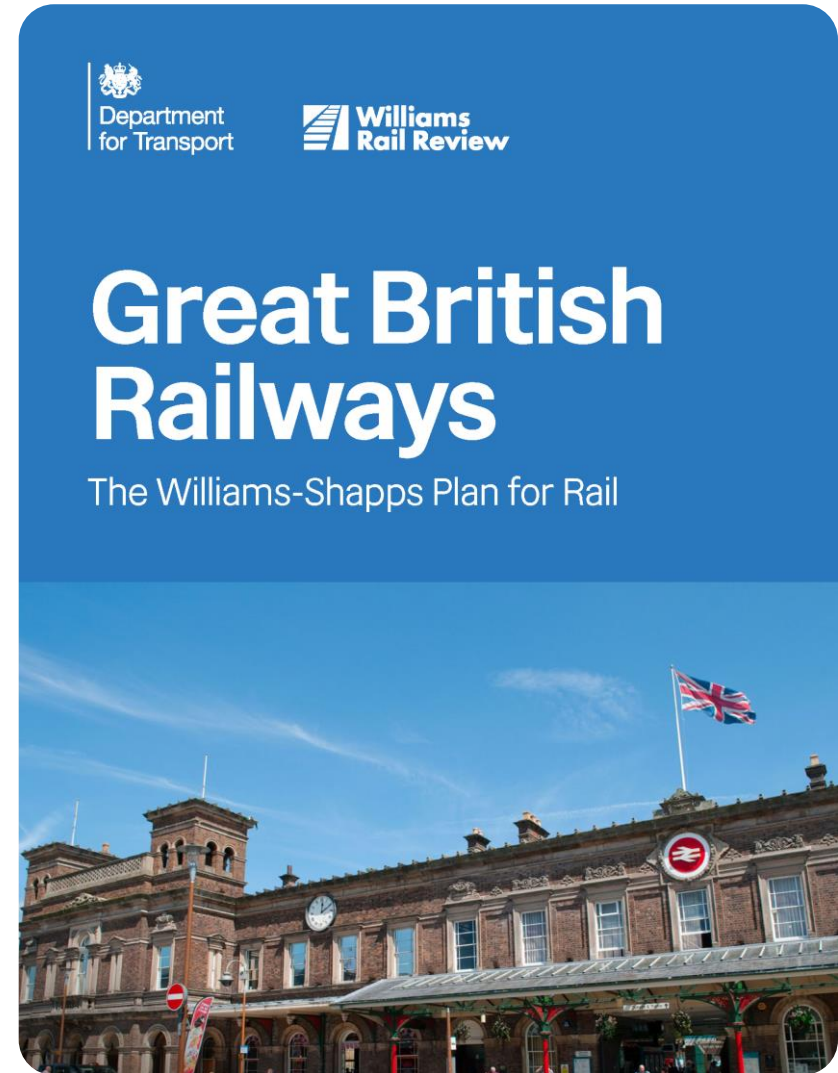
# Key proposals from Williams-Shapps white paper

**Creation of GBR as governing body**

**Creation of GBR as a ticket retailer**

**Development of 'pay as you go' retail model**

**Commitment to digital ticketing**



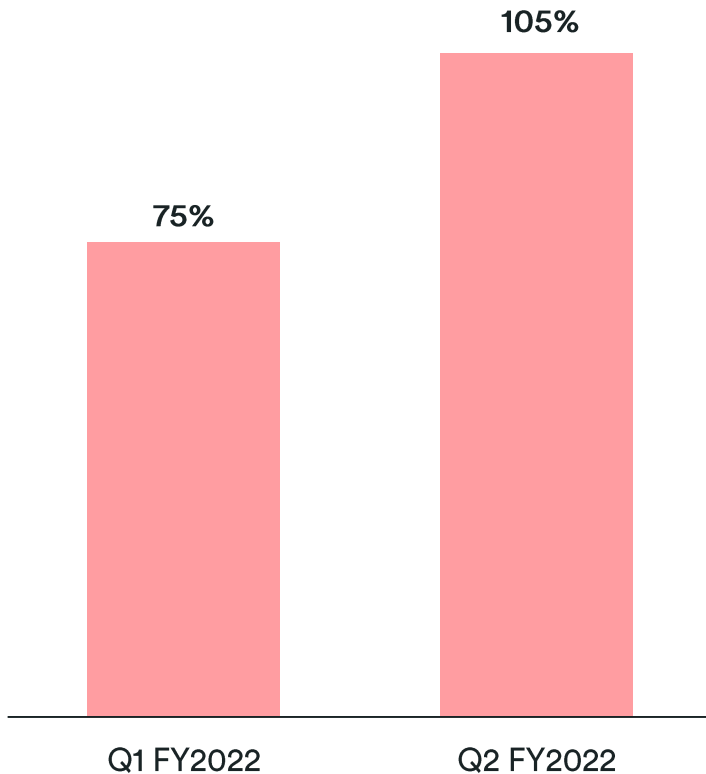
# Agenda

1. **A leading role in industry recovery**  
Jody Ford, CEO
2. **Financial performance**  
Shaun McCabe, CFO
3. **Progress against strategic priorities**  
Jody Ford, CEO
4. **Accelerating growth in International**  
Jody Ford, CEO

# Recovery led by International domestic and UK Consumer

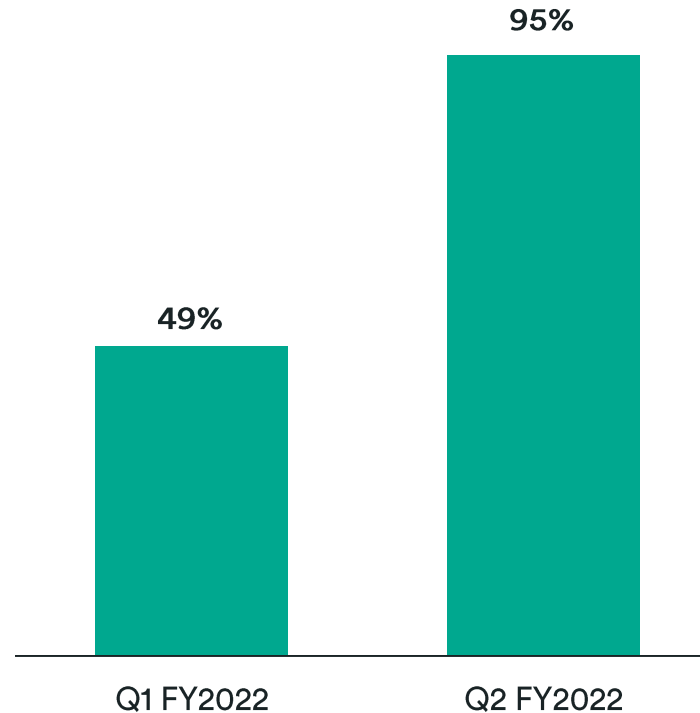
## International – top 4 domestic markets

Net ticket sales % of same period in FY2020



## UK Consumer

Net ticket sales % of same period in FY2020



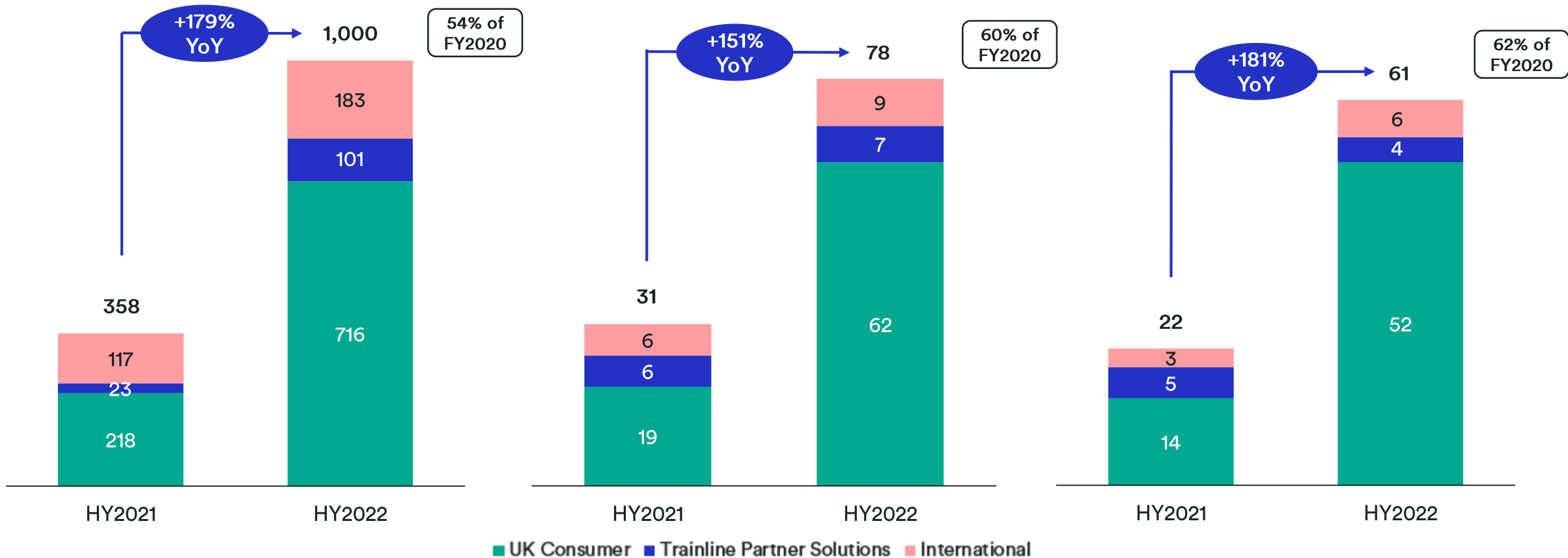
- International top 4 domestic markets returned to overall growth in Q2
- UK Consumer returned to growth in August
  - Recovery led by short distance leisure travel
  - Longer distance leisure recovering over summer months
  - Commuter travel recovering more recently
- Business travel and International inbound yet to return

# Significant recovery in sales, revenue and gross profit

Net ticket sales (£m)

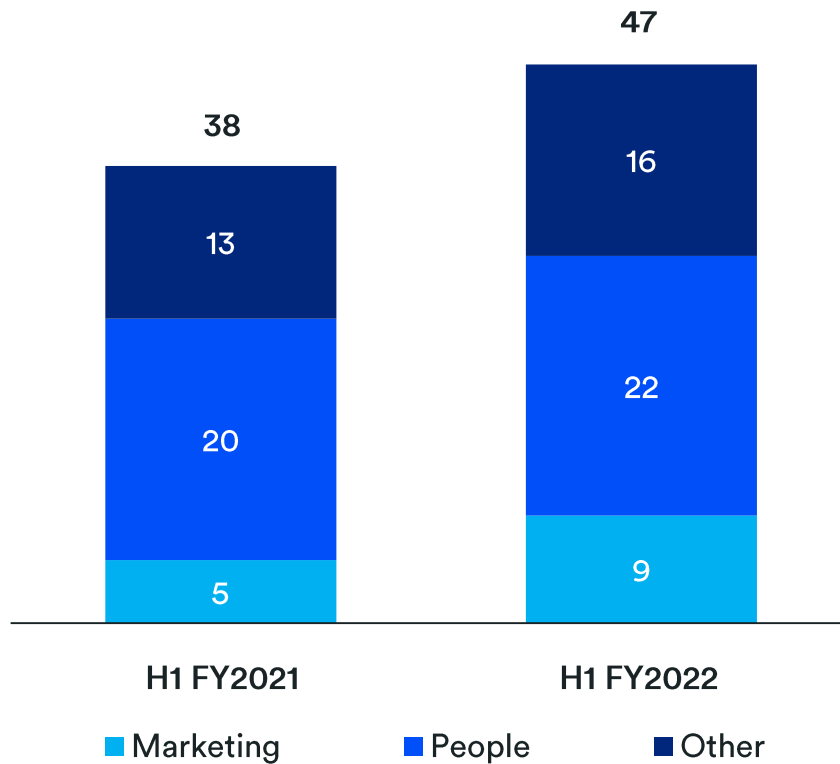
Revenue (£m)

Gross profit (£m)

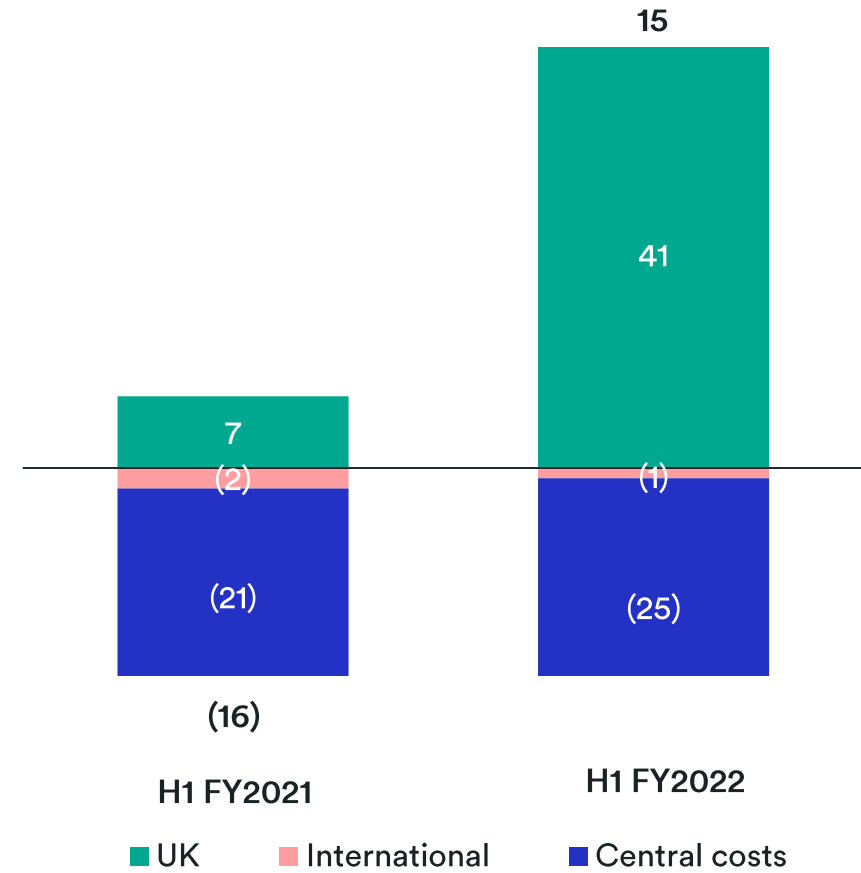


# Return to profitability in H1

## Direct and central costs (£m)

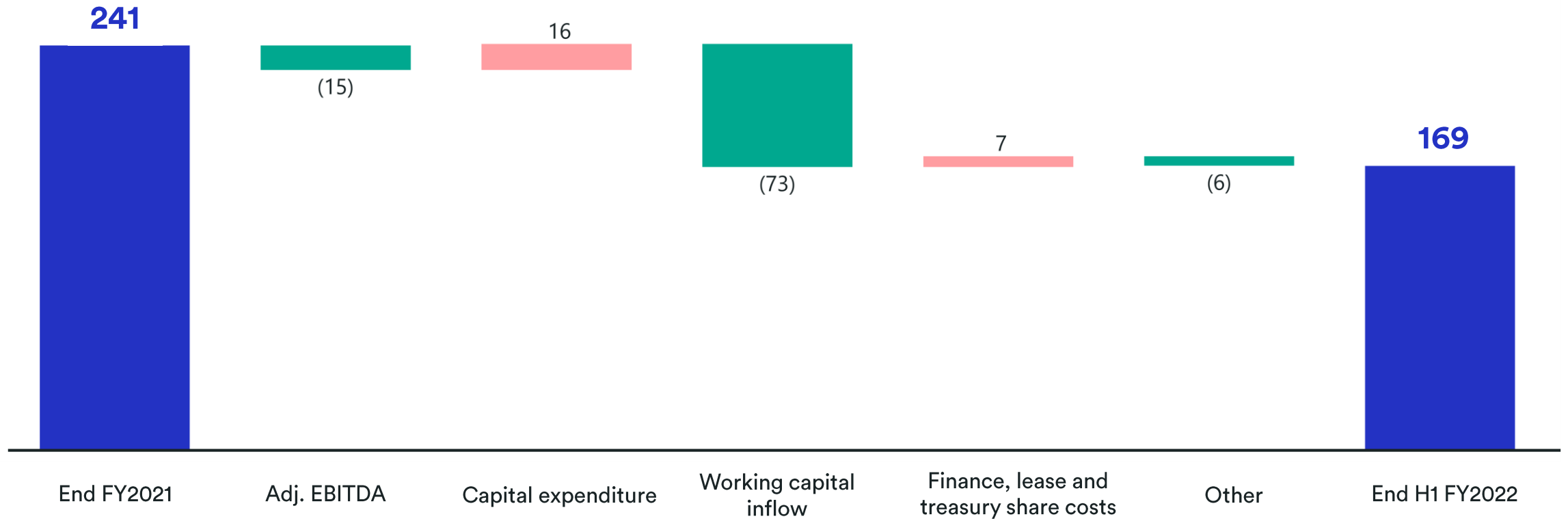


## Adjusted EBITDA (£m)



# Net debt reduction driven by working capital inflow

## Net debt movements (£m)



## Reinstating guidance for full year FY2022

**Net ticket sales:**  
in the range of  
£2.4-2.8 billion

**Adj. EBITDA:**  
in the range of  
£35-40 million

Planned increase  
in investment for  
International  
business from H2  
FY2022 onwards

# Agenda

1. **A leading role in industry recovery**  
Jody Ford, CEO
2. **Financial performance**  
Shaun McCabe, CFO
3. **Progress against strategic priorities**  
Jody Ford, CEO
4. **Accelerating growth in International**  
Jody Ford, CEO

# Strategic priorities for growth



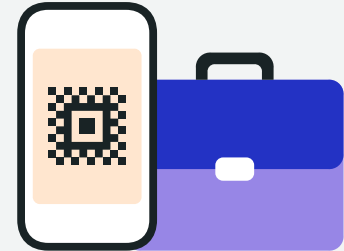
Enhance customer  
experience



Build demand



Increase customer  
lifetime value



Grow Trainline  
Partner Solutions

## Driving eticket penetration in the UK

### Increased demand

Consumer preference for online booking and mobile tickets

### c.80% eticket availability

Continued rollout of barcode capability at stations across UK rail network

### 40% eticket penetration

etickets as % of total UK industry sales doubled in last 18 months

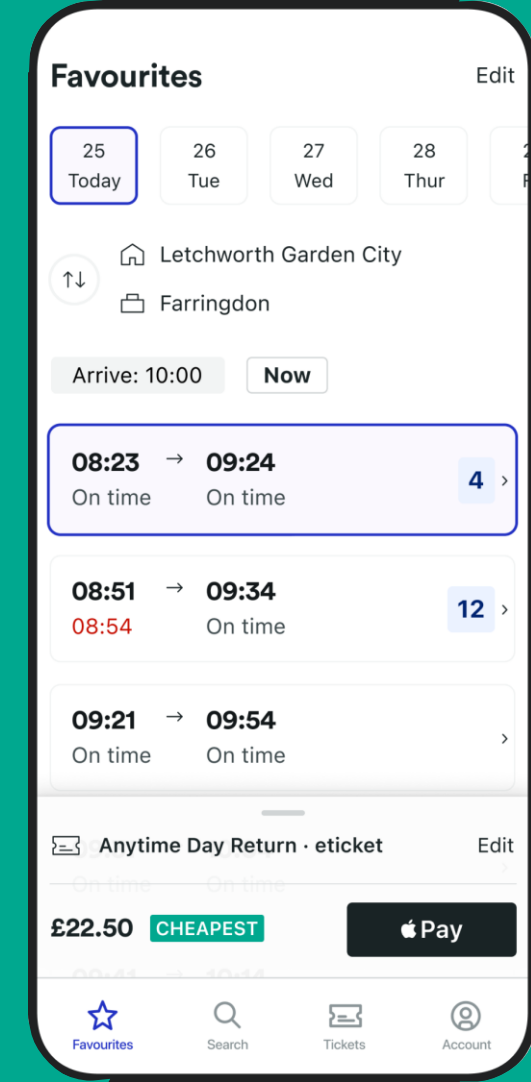


# Investing in our *new commuter* experience

- C.£4 billion UK Commuter market; historically underserved with digital options
- New features to meet needs of the *new commuter* :
  - ‘Save your Commute’ with two-click rebook
  - Commuter Calculator
  - Digital railcards
  - Real time disruption push notifications
  - Flexi tickets, with digital seasons coming soon
- Step-change in time-checker<sup>1</sup> behaviour:
  - 26% increase in conversion vs pre-COVID<sup>2</sup>

1. Time-checkers: Mobile app users who check their top journey at least once a week (proxy for commuters)

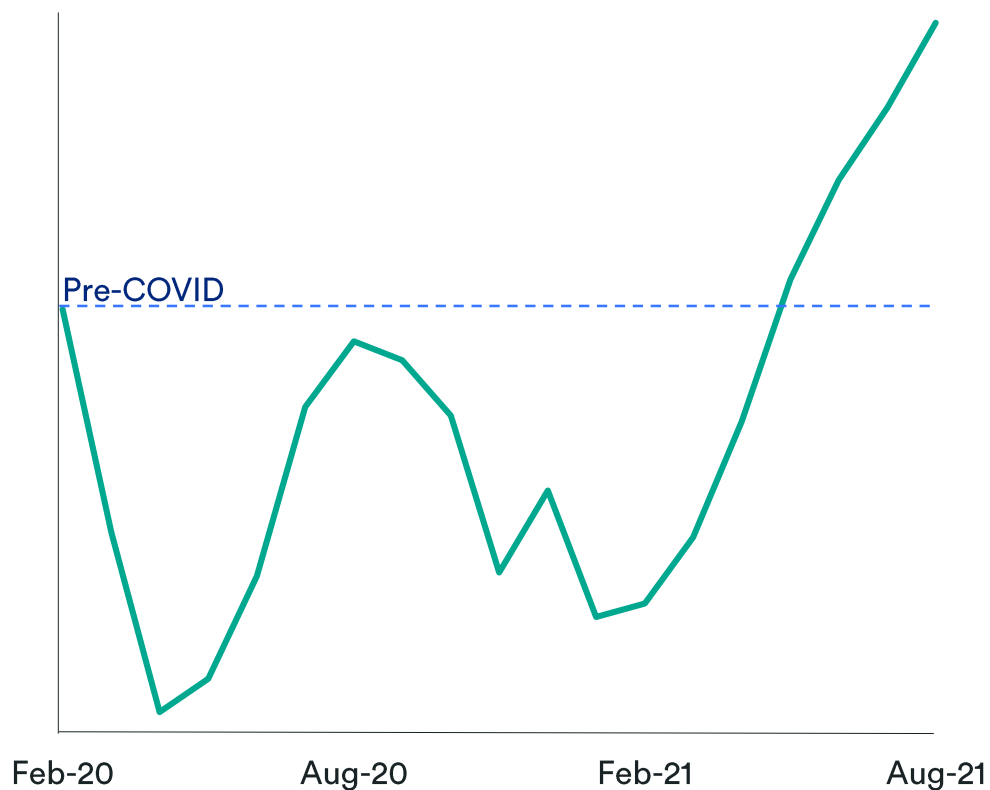
2. 26% growth in proportion of time-checkers purchasing (Sep 2021 vs Pre-COVID)



# Highest ever customer acquisition and engagement at pre-COVID levels

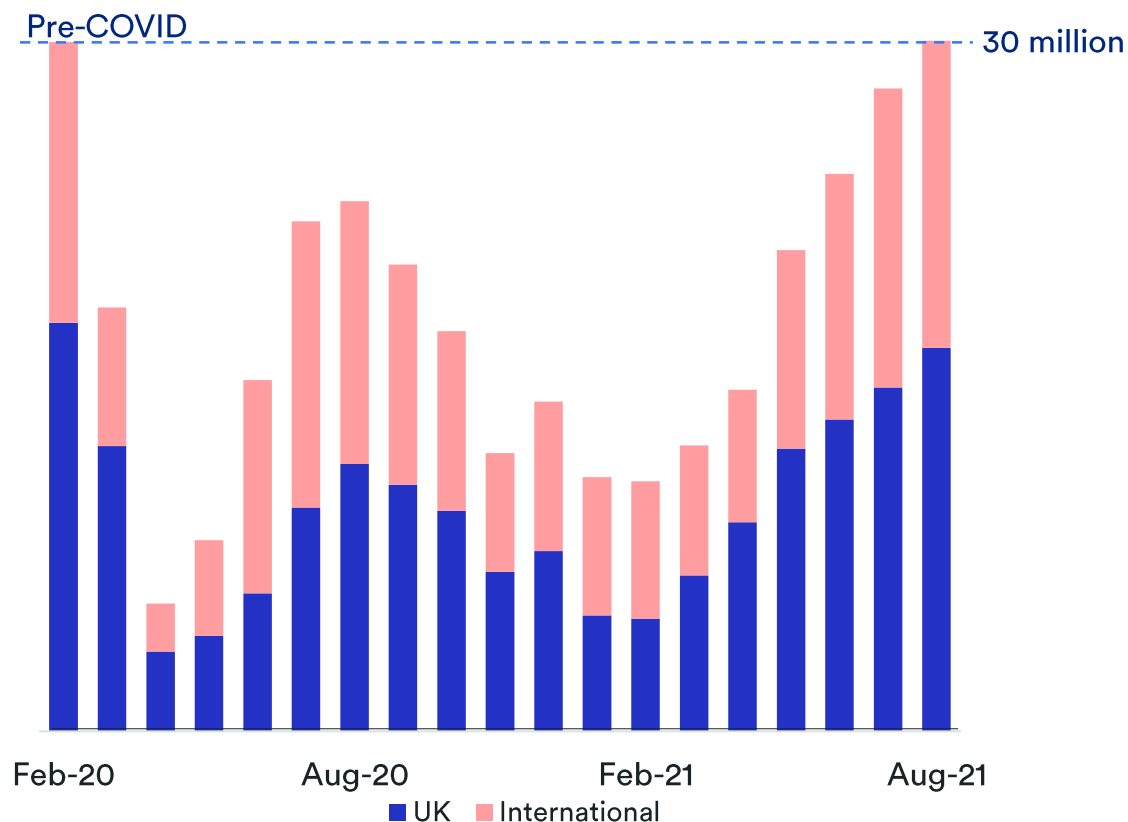
## Customer acquisition at record levels

New app customers (Group)



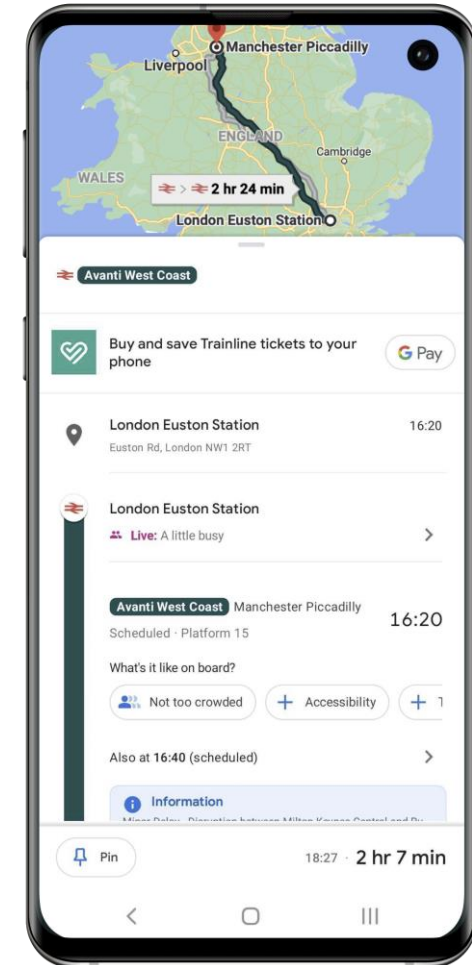
## Customer engagement has returned

Monthly active users (MAUs)



# Integrating Trainline into Google Maps

- Making train travel even more accessible, seamless and intuitive
- Android users click through Google Maps to our app to buy rail tickets
- Complements Trainline's other Android features:
  - Google Pay – a seamless experience when paying for tickets
  - Google Pass – a secure and easy way to store purchased tickets

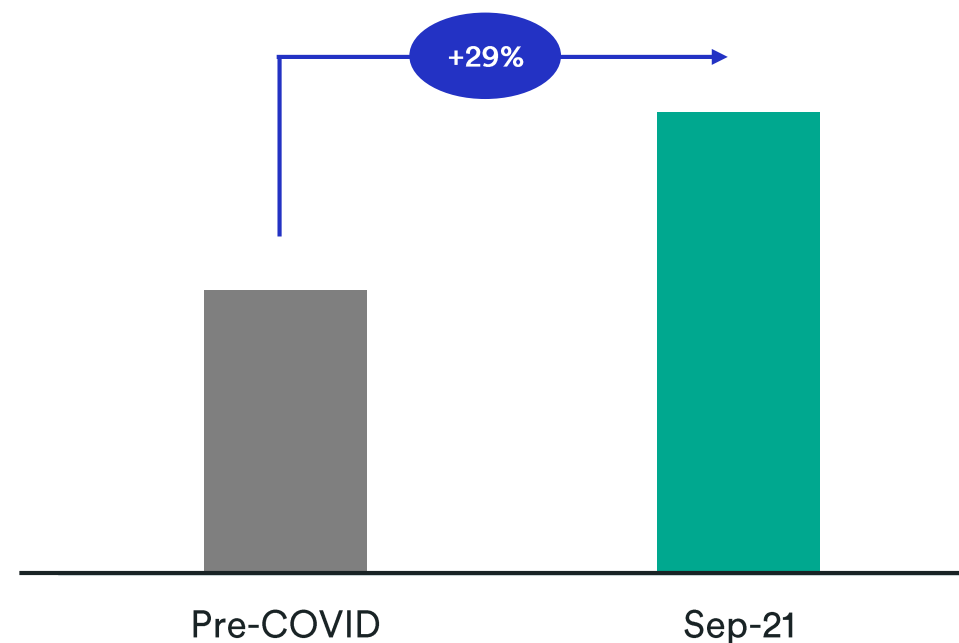


# Growing relevance for more of our customers' travel needs

- Increased short distance leisure travel in UK, plus commuter travel growing more recently
- Step up in regional travel sales in International
- Increase in repeat usage
  - 29% increase in customers transacting 2+ times a month in UK

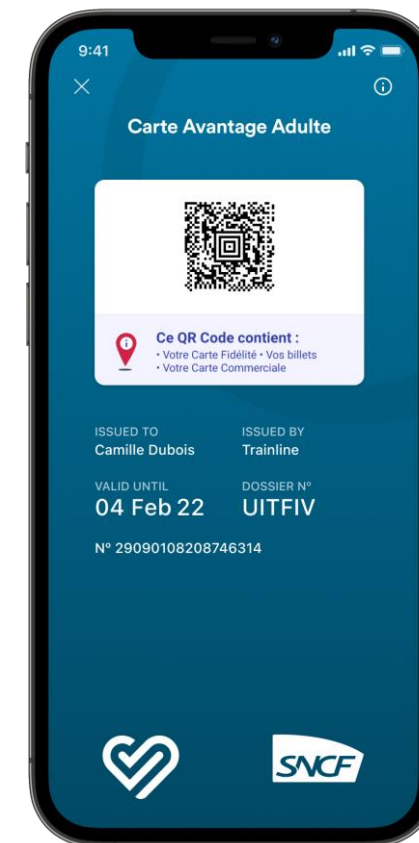
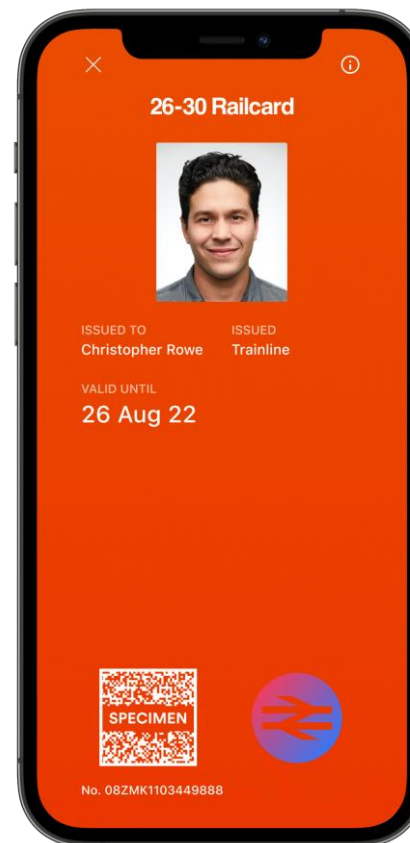
## Increased frequency

Number of customers that transact 2+ times a month (UK Consumer):



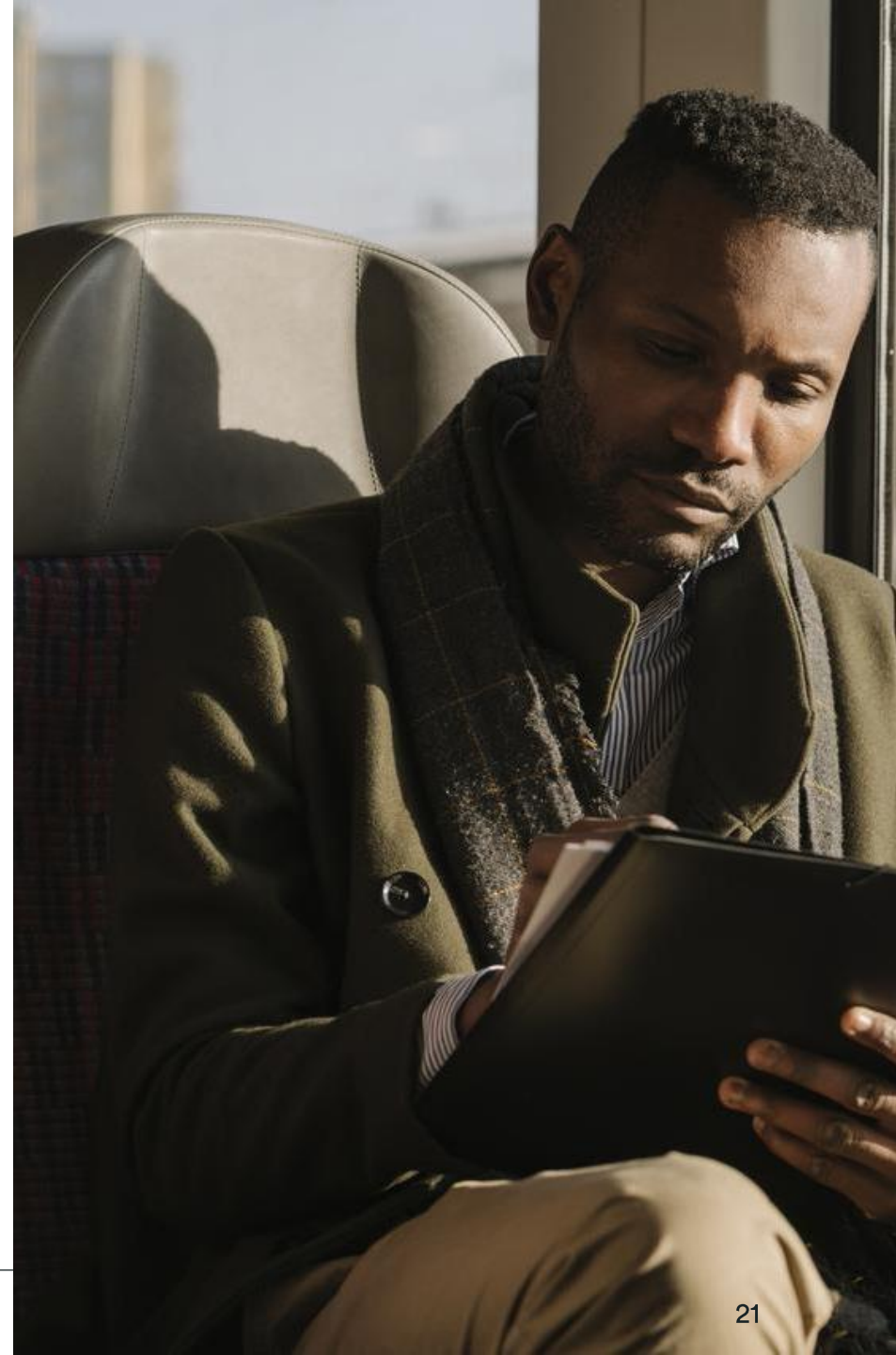
# Scaling digital railcards

- Big opportunity:
  - 6 million railcards in use in UK
  - >40% of Trainline's transactions use a railcard
- Digital railcards provide superior customer experience:
  - *“far easier to use, far harder to forget”*
- Strong uptake from customers so far:
  - >250,000 digital railcard sales in H1
- Now launched digital railcards in France



## Positioning Trainline Partner Solutions for growth

- Business travel remains subdued but first signs of recovery
- Continued focus on positioning our partners for future growth
- Global Distribution and Business Solutions:
  - 22 B2B customers now signed to Global API, including Flight Centre in H1
- Carrier IT Solutions:
  - Renewed contracts with five white label carrier clients
  - Improved core platform functionality and upgraded customer experience



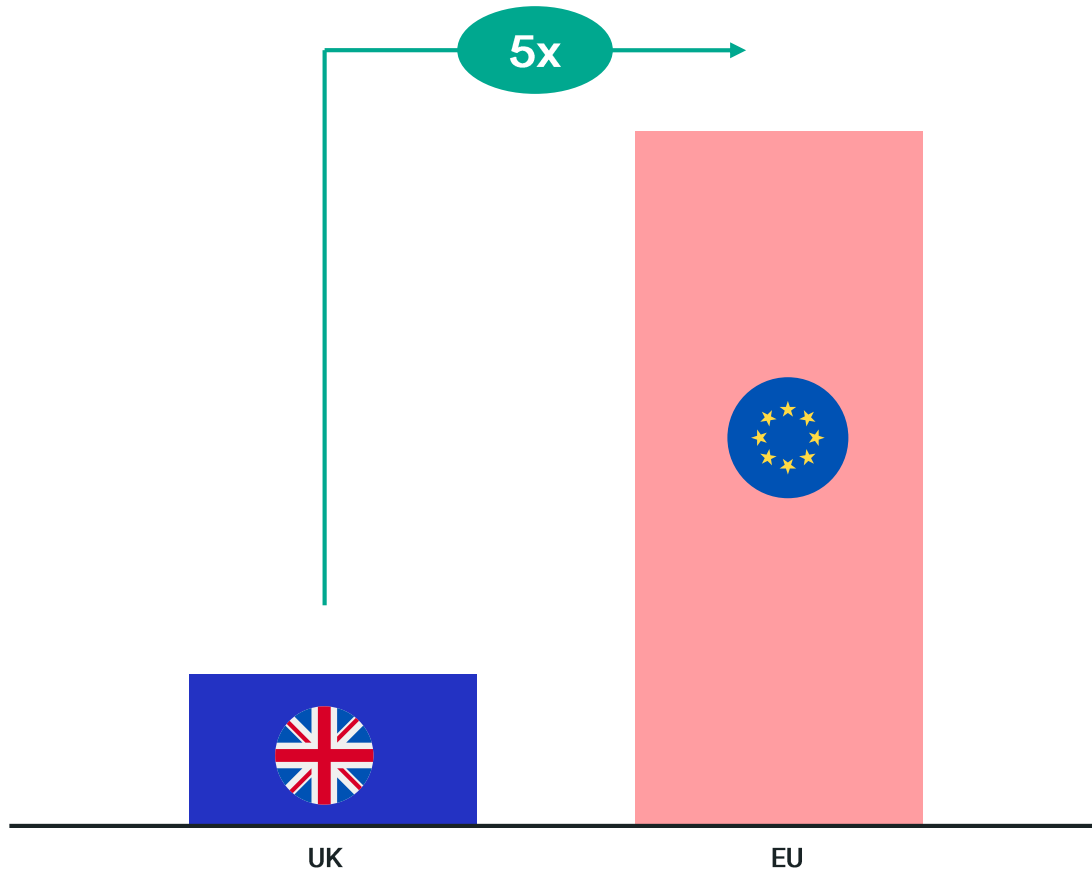
# Agenda

1. **A leading role in industry recovery**  
Jody Ford, CEO
2. **Financial performance**  
Shaun McCabe, CFO
3. **Progress against strategic priorities**  
Jody Ford, CEO
4. **Accelerating growth in International**  
Jody Ford, CEO

# Significant headroom in Europe with modal shift tailwinds

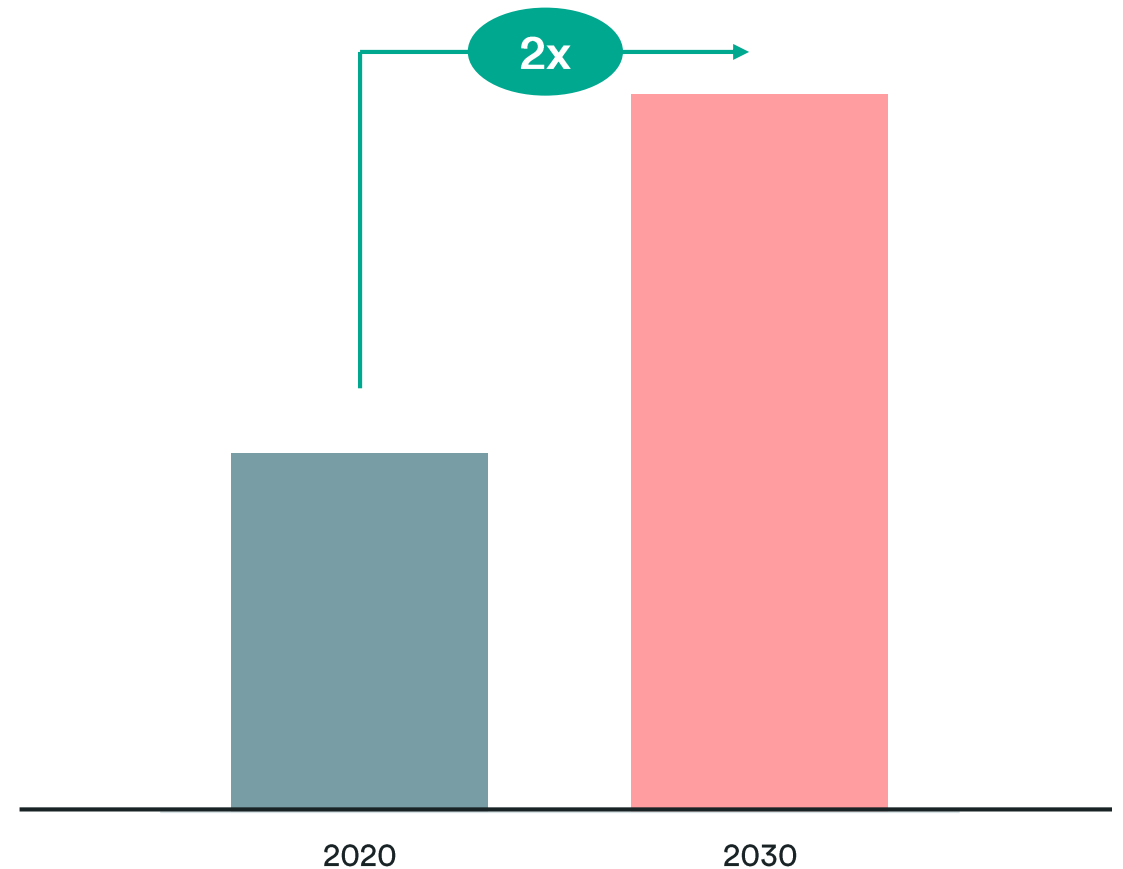
## Large EU rail market<sup>1</sup>

Rail market size



## Significant high speed rail investment to drive modal shift<sup>2</sup>

EU Commission High speed passenger target



1. OC&C analysis for calendar year 2017; 2. European Commission's 'Sustainable and Smart Mobility Strategy', December 2020

# Carriers from France, Italy and Spain competing in each other's markets



Italy

- NTV Italo launched in 2012
- SNCF discussing plans for Ouigo to enter in future



Spain

- Ouigo and Avlo launched on Madrid-Barcelona route; more routes planned next year
- Ilsa due to launch in 2022



France

- Trenitalia to enter France by end of 2021
- Railcoop and Renfe to launch thereafter



Carrier competition giving European customers more choice

# Marketplace of choice in Europe



**Aggregating all carriers,  
fares and journey options  
in one place**



**Best in class, 4.9-star  
mobile app**



**Simple to use interface and  
search functionality**



**Seamless booking experience,  
including multiple carrier journeys**



**Real-time, on-the-go travel  
information**

# Italy – Intense carrier competition on long distance journeys

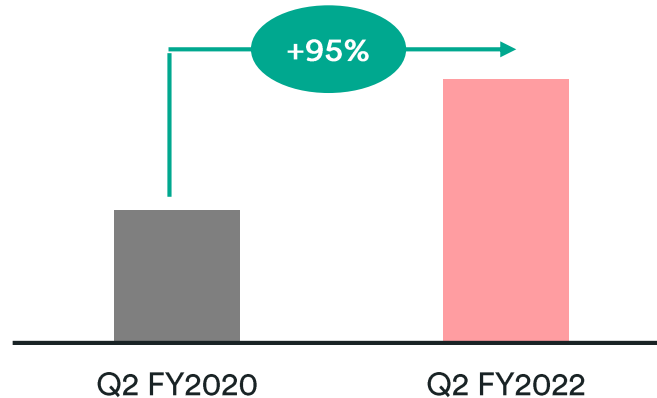
## Liberalised domestic market



- NTV Italo grown to take c30% share of long-distance rail market
- Fierce competition - no aggregation of each other's supply

## Strong growth in net ticket sales

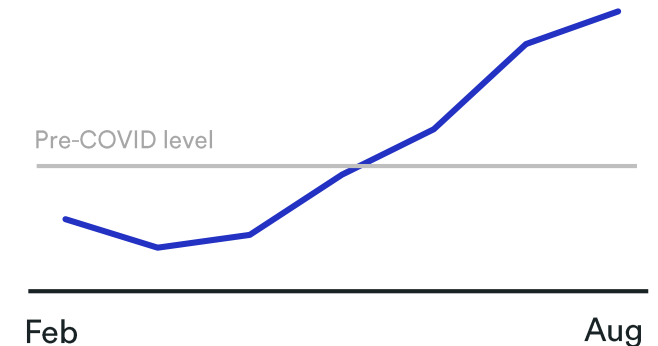
Domestic net ticket sales in Italy



- Competitive backdrop helping Trainline to grow
- Strength of our 4.9-star app - more than just an aggregator

## Positive customer acquisition momentum

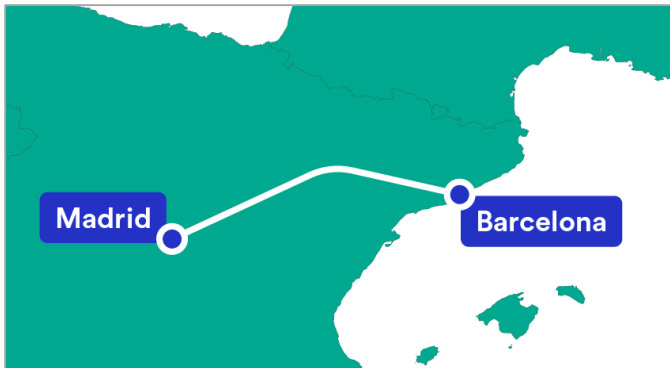
New app customers vs Pre-COVID



- Record customer acquisition in Q2
- Investing in brand campaign in Italy in H2

# Madrid to Barcelona – A test case for new entrants in Spanish market

## A prime route



- Busiest domestic airline route in Europe<sup>1</sup>
- High speed rail a better alternative

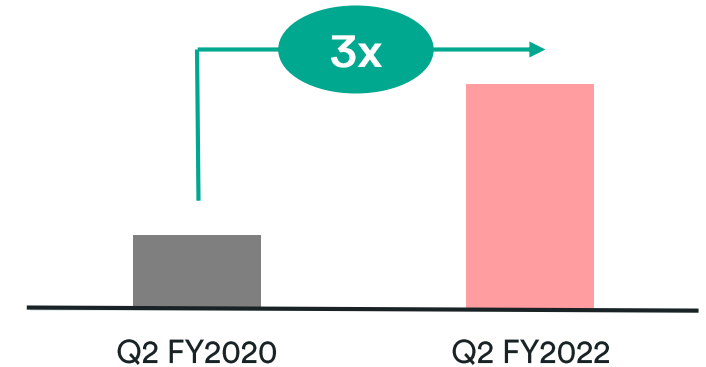
## Emerging carrier competition



- New competition increasing attractiveness of rail for customers
- Fierce competition - no aggregation of each other's supply

## Strong early progress

Madrid-Barcelona sales transactions



- Trainline is now taking disproportionate share of route
- 20% of transactions involved more than one carrier

<sup>1</sup> 'Busiest Flights 2020' report by travel data provider OAG

# Increasing investment in International from H2 onwards



## Enhancing customer experience

- Hiring c.150 more people to accelerate product innovation and integrate new entrant carriers
- Meeting specific local market needs and filling any product gaps



## Building demand

- Increasing customer acquisition through performance marketing
- Driving consumer awareness through brand marketing

## Key takeaways

- Leading role in industry recovery and accelerated shift to online and digital
- While GBR uncertainty remains we continue to deliver against our strategic priorities
- Strong increase in customer acquisition, engagement and transaction frequency
- Long term tailwinds including rail market liberalisation in Europe
- Stepping up investment in International B2C to accelerate growth



**Q&A**